# Commission Hearings

Before the U.S.-China Security Review Commission

# Compilation of Hearings Held Before the U.S.-China Security Review Commission

FISCAL YEARS 2001 AND 2002

107th CONGRESS FIRST AND SECOND SESSIONS

JUNE 14, 2001 AUGUST 2, 2001 AUGUST 3, 2001 OCTOBER 12, 2001 DECEMBER 6, 2001 DECEMBER 7, 2001 JANUARY 17, 2002 JANUARY 18, 2002 MAY 9, 2001

# COMPILATION OF HEARINGS HELD BEFORE THE U.S.-CHINA SECURITY REVIEW COMMISSION

# **HEARINGS**

BEFORE THE

# U.S.-CHINA SECURITY REVIEW COMMISSION

#### ONE HUNDRED SEVENTH CONGRESS

FIRST AND SECOND SESSIONS

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JUNE 14, 2001 AUGUST 2, 2001 AUGUST 3, 2001 OCTOBER 12, 2001 DECEMBER 6, 2001 DECEMBER 7, 2001 JANUARY 17, 2002 JANUARY 18, 2002

#### TECHNICAL BRIEFING

MAY 9, 2001

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The United States-China Security Review Commission was created on October 30, 2000 by the Floyd D. Spence National Defense Authorization Act for 2001  $\S$  1238, Public Law 106–398, as amended by Public Law 107–67. The Commission's full charter begins on page 1473.

#### U.S.-China Security Review Commission, May 20, 2002.

The Honorable ROBERT C. BYRD, President Pro Tempore of the U.S. Senate, Washington, D.C. 20510. The Honorable J. Dennis Hastert, Speaker of the House, Washington, D.C. 20515.

DEAR SENATOR BYRD AND SPEAKER HASTERT: On behalf of the U.S.-China Security Review Commission, I am pleased to transmit the record of hearings conducted by the Commission during 2001–02, pursuant to Public Law 106–398 (October 30, 2000). The Commission was created by the Congress in response to the legislative action that gave the Peoples Republic of China permanent most favored nation trade treatment (PNTR) on October 10, 2000. During that debate, officials of the Clinton Administration asserted that passage of PNTR and China's entry into the WTO were in the "vital national security interests of the United States." Congress in creating this Commission charged it to examine, among other things, the rationale and validity of that assertion. (The Commission's full charter begins on page 1473.)

U.S. policy toward China has long been dominated by specific compartmentalized interests, be they security concerns, business considerations, or human rights issues. Because of this fragmented approach, members of Congress have not been accorded an integrated assessment of the multi-faceted nature of the relationship between the U.S. and China, particularly the linkage between our expanding economic ties and U.S. national security interests. The U.S. has its largest deficit in international trade with China, is a premier foreign investor in its markets, transfers substantial resources on a government-to-government basis, and permits Chinese companies to raise significant funds in the U.S. capital markets at rapidly rising levels. These economic transfers clearly strengthen China's economy and military potential.

At the same time, the volatile Beijing-Taipei relationship risks drawing the U.S. and China into military conflict, and China's proliferation of weapons of mass destruction and their delivery systems is adverse to U.S. security interests in other parts of the world. Thus, the central mandate of the Commission is to "monitor, investigate and report [annually] to the Congress on the national security implications of the bilateral trade and economic relationship" between the two nations.

The Commission held 9 open hearings, taking testimony from 115 witnesses on 35 separate panels, and I believe they constitute the most comprehensive current examination of the wide range of issues relating to our mandate. This will be followed by our first annual report in June 2002.

Yours truly,

C. RICHARD D'AMATO, Chairman.

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